



## FACT SHEETS

# Fact Sheet: President Donald J. Trump Adjusts Tariffs on Canada and Mexico to Minimize Disruption to the Automotive Industry

The White House | March 6, 2025

**USING LEVERAGE TO PROTECT AMERICANS:** Today, President Donald J. Trump announced adjustments to tariffs imposed on imports from Canada and Mexico in recognition of the structure of the automotive supply chain that strives to bring production into America.

- Duties imposed to address the flow of illicit drugs across our borders are now:
  - 25% tariffs on goods that do not satisfy U.S.-Mexico-Canada Agreement (USMCA) rules of origin.
  - A lower 10% tariff on those energy products imported from Canada that fall outside the USMCA preference.
  - A lower 10% tariff on any potash imported from Canada and Mexico that falls outside the USMCA preference.
  - No tariffs on those goods from Canada and Mexico that claim and qualify for USMCA preference.
- While the situations at our Northern and Southern borders continue to require appropriate action from the Governments of Canada and Mexico, our American automotive industry, which provides American jobs, should not suffer significant disruption just because of the structure of its supply chain.

**ENSURING BORDER SECURITY AND ECONOMIC SECURITY:** President Trump will not allow our national security to be compromised by our closest trading partners, Canada and Mexico, but recognizes the unique impact that these tariffs could have on American automotive manufacturers.

- President Trump will never stop standing up for the safety of the American people and is using tariffs as a tool to take decisive actions that put Americans' safety and our national security first.
- On Tuesday, March 4, tariffs were issued on Canada and Mexico under the International Emergency Economic Powers Act (IEEPA) to curb the flow of illegal border crossings and drugs into our country.
- In order to minimize disruption to the U.S. automotive industry and workers, it is appropriate to adjust the tariffs on articles of Canada and Mexico so that they do not bear a disproportionate brunt of Canada and Mexico's failure to respond to the crises at our borders.
- America's manufacturers, including our automakers, have strengthened our economy and expanded our workforce.
- Today's actions promote a level playing field for American manufacturers, bringing supply chains closer to home, especially for our auto industry, which has been hit hard by offshoring.

**DEALMAKER-IN-CHIEF:** President Trump continues to leverage America's economic power to secure our border and stop the flow of fentanyl into our country, while protecting American industry.

- In November, President Trump promised that tariffs on Mexico and Canada would remain in effect until drugs and illegal aliens stop invading our country.
- Following the President imposing tariffs on both countries, Mexico and Canada announced measures to combat illegal immigration and fentanyl trafficking.
- President Trump secured the extradition of 29 Mexican drug cartel bosses to face charges for their crimes in the United States, including one accused of killing a DEA agent.
- In President Trump's first month in office, illegal border crossings plummeted to the lowest level ever recorded, down 96% from the all-time high under the Biden-Harris Administration.

As President Trump stated in the America First Trade Policy Presidential Memorandum, trade policy is an integral component of our economic and national security

